

Montana Teachers' Retirement System (TRS)



Service
Purchase
Tutorial



Creditable service may be obtained from several sources.

Work history and the dates of employment in a position reported to TRS will determine the cost and types of service that you may be eligible to purchase.

SERVICE PURCHASE OPTIONS

Service Purchase Irrevocable Election

Additional contributions may be deducted from your compensation by your employer for the purpose of purchasing eligible service credits, on a tax-deferred basis.

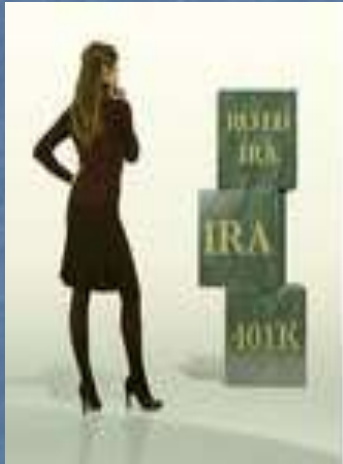
Before you would be eligible to purchase service with tax-deferred contributions, your employer must adopt a Model Resolution that has been approved by the IRS. Contact your employer to confirm the Model Resolution has been adopted to allow a tax-deferred contribution withholding.



SERVICE PURCHASE OPTIONS , Cont.

Rollover

Service credit in TRS may be purchased through a rollover from another public retirement plan qualified under Internal Revenue Code:



Section 401(a) or 401(k)

A 403(b) tax-sheltered annuity or custodial account

A governmental 457(b) deferred compensation plan

A traditional IRA

SERVICE PURCHASE TYPES

Previously Withdrawn Montana Membership Service

Transfer Service From PERS

Military Service (USERRA)



Service While On Leave

Out-of-State Teaching Service

Private School Teaching



Workers' Compensation

Montana Cooperative Extension Service

PURCHASABLE SERVICE - EXAMPLE

Smith, Jane Today's Date/Time: 3/16/2009 9:34 AM						
Buy Back Type	Buy Back Date	Service Years	Original Amount	Interest	Paid	Balance
Out of State	02/16/2009	5.00	25,750.50	5,250.25	0.00	31,000.75
Total Balance Due						31,000.75

[Home](#)[Back to Previous Screen](#)[Print Screen](#)[Help?](#)

In this example, Jane Smith is eligible to purchase 5.00 years of out-of-state teaching service. Through the use of her on-line account, she can view the balance due to purchase out-of-state teaching service. She can complete payment of this service at any time prior to her date of termination and retirement.

Thank you for taking the time to view the 'Service Purchase' tutorial. The information provided in this tutorial is for educational purposes only. It is intended to provide basic information about the services and benefits provided by the Montana Teachers' Retirement System under the laws and rules applicable as of the date of production.

1500 East Sixth Avenue
PO Box 200139
Helena, MT 59620-0139



1-866-600-4045 (Toll Free)
406-444-3134